

# Division of Financial Management

Analyst: Youtz

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2005 Total App</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Approp</b>	<b>FY 2007 Request</b>	<b>FY 2007 Gov Rec</b>
<b>BY FUND CATEGORY</b>					
General	2,041,500	2,013,900	2,046,100	2,086,600	2,074,800
Dedicated	31,500	26,200	97,600	32,400	31,900
<b>Total:</b>	<b>2,073,000</b>	<b>2,040,100</b>	<b>2,143,700</b>	<b>2,119,000</b>	<b>2,106,700</b>
Percent Change:		(1.6%)	5.1%	(1.2%)	(1.7%)
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	1,887,200	1,656,900	1,954,300	1,927,700	1,915,400
Operating Expenditures	185,800	330,200	189,400	191,300	191,300
Capital Outlay	0	53,000	0	0	0
<b>Total:</b>	<b>2,073,000</b>	<b>2,040,100</b>	<b>2,143,700</b>	<b>2,119,000</b>	<b>2,106,700</b>
Full-Time Positions (FTP)	24.00	24.00	24.00	24.00	24.00

## Division Description

### FINANCIAL MANAGEMENT

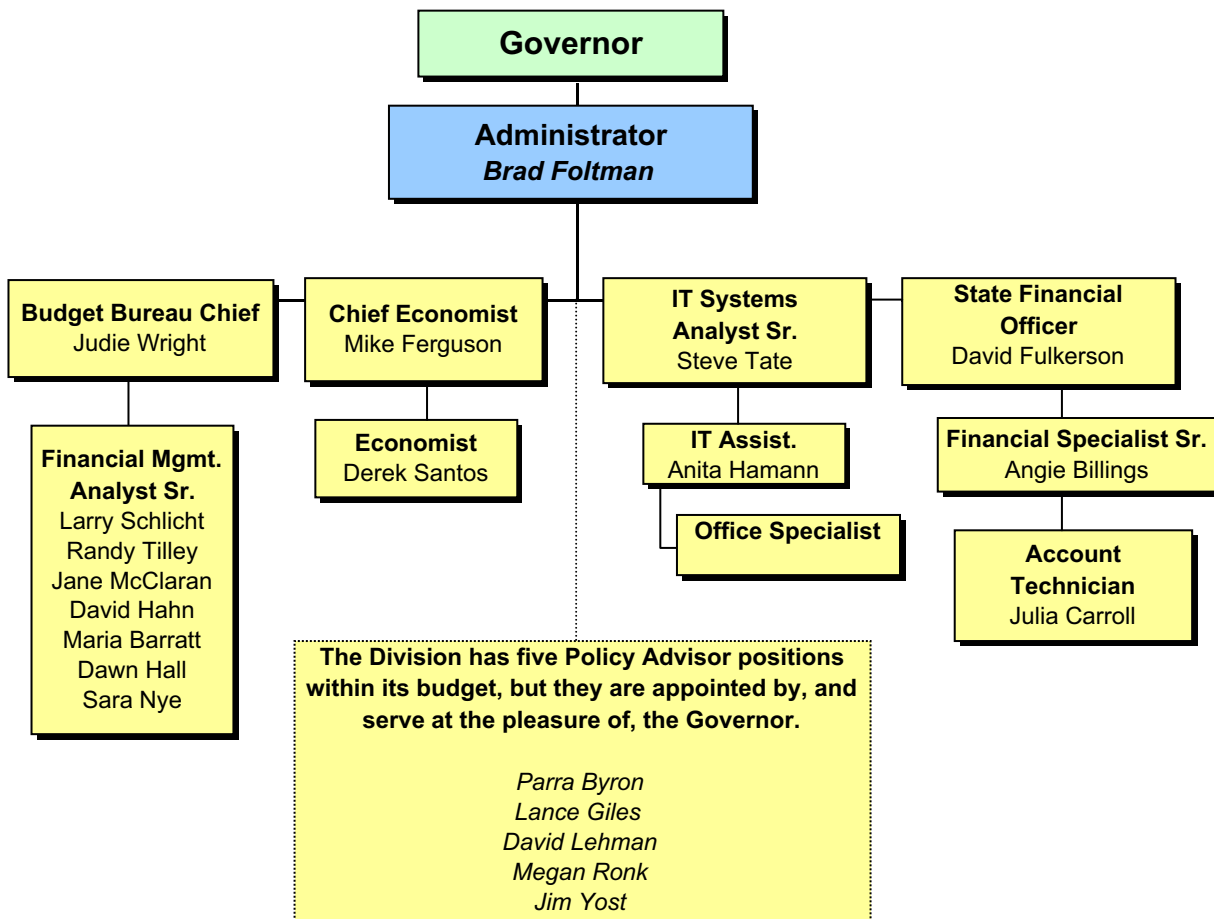
The mission of this program is to support the Governor's vision of short and long-term policies through effective resource allocation. Financial Management seeks to improve agency service delivery at the point of citizen impact by developing, monitoring, and publicizing performance outcomes, facilitating the development of the Executive Budget recommendation, and providing a proactive policy resource for the Governor to shape Idaho's future. Financial Management consists of four main administrative units: Budget, Policy, Economic and Management Services.

[Statutory Authority: Idaho Code §67-1910 - 1918]

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## Agency Profile

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### Sources of Funds

**FY 2006  
Original**

**General Funds (0001):** individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, Treasurer's interest on investments of certain idle state funds, court fees and fines, insurance premium tax, sale of alcoholic beverage licenses, unclaimed property, articles of incorporation and uniform commercial code filing fees, estate and transfer tax, and other miscellaneous sources from various agency receipts.

\$2,046,100

**Miscellaneous Revenue (0349):** Interagency billings for accounting fees to Governor's Office and small agency accounting and budgeting services; and publication subscriptions.

\$97,600

\$2,143,700

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## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2006 Original Appropriation</b>	<b>24.00</b>	<b>2,046,100</b>	<b>2,143,700</b>	<b>24.00</b>	<b>2,046,100</b>	<b>2,143,700</b>
HB 395 One-time 1% Salary Increase	0.00	16,500	16,700	0.00	16,500	16,700
Omnibus CEC Supplemental	0.00	0	0	0.00	19,600	19,800
<b>FY 2006 Total Appropriation</b>	<b>24.00</b>	<b>2,062,600</b>	<b>2,160,400</b>	<b>24.00</b>	<b>2,082,200</b>	<b>2,180,200</b>
Removal of One-Time Expenditures	0.00	(16,500)	(82,600)	0.00	(16,500)	(82,600)
<b>FY 2007 Base</b>	<b>24.00</b>	<b>2,046,100</b>	<b>2,077,800</b>	<b>24.00</b>	<b>2,065,700</b>	<b>2,097,600</b>
Benefit Costs	0.00	21,700	22,100	0.00	(24,100)	(24,600)
Statewide Cost Allocation	0.00	1,800	1,900	0.00	1,800	1,900
Change in Employee Compensation	0.00	17,000	17,200	0.00	31,400	31,800
<b>FY 2007 Total</b>	<b>24.00</b>	<b>2,086,600</b>	<b>2,119,000</b>	<b>24.00</b>	<b>2,074,800</b>	<b>2,106,700</b>
Change from Original Appropriation	0.00	40,500	(24,700)	0.00	28,700	(37,000)
% Change from Original Appropriation		2.0%	(1.2%)		1.4%	(1.7%)

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2006 Original Appropriation</b>	24.00	2,046,100	97,600	0	2,143,700
<b>HB 395 One-time 1% Salary Increase</b>					
Agency Request	0.00	16,500	200	0	16,700
Governor's Recommendation	0.00	16,500	200	0	16,700
<b>Omnibus CEC Supplemental</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor's FY 2007 recommendation is a 3% ongoing increase in employee compensation (CEC), based on merit, to commence in FY 2006 with the January 29 pay period. This will allow agencies to fund employee compensation increases for ten pay periods prior to the end of the current fiscal year. Funding for the remaining 16 pay periods is provided in the FY 2007 CEC.</i>					
Governor's Recommendation	0.00	19,600	200	0	19,800
<b>FY 2006 Total Appropriation</b>					
Agency Request	24.00	2,062,600	97,800	0	2,160,400
Governor's Recommendation	24.00	2,082,200	98,000	0	2,180,200
<b>Removal of One-Time Expenditures</b>					
Removes funding providing for HB395 and the 27th pay period.					
Agency Request	0.00	(16,500)	(66,100)	0	(82,600)
Governor's Recommendation	0.00	(16,500)	(66,100)	0	(82,600)
<b>FY 2007 Base</b>					
Agency Request	24.00	2,046,100	31,700	0	2,077,800
Governor's Recommendation	24.00	2,065,700	31,900	0	2,097,600
<b>Benefit Costs</b>					
Includes the employer-paid portion of estimated changes in employee benefit costs. The two biggest factors are health insurance rates and retirement rates. Health insurance is projected to increase by 6.1% or \$436 per position. Retirement rates are scheduled to increase by 5.9% from 10.39% to 11% of salary for regular employees. Other benefit changes include minor adjustments in unemployment insurance rates and workers compensation rates.					
Agency Request	0.00	21,700	400	0	22,100
<i>Removes the PERSI rate increase and changes benefit costs to reflect a 3.5% or \$250 per FTP increase in health insurance costs. However, the change in health insurance providers, from Blue Shield to Blue Cross, has created a one-time opportunity to use unexpended reserves from the previous contract. This decision unit provides for a health insurance premium reduction equal to two month's premiums for both the employer and employee. Finally, a life insurance holiday is included equal to seven month's premium for the employer's share only.</i>					
Governor's Recommendation	0.00	(24,100)	(500)	0	(24,600)
<b>Statewide Cost Allocation</b>					
Agency Request	0.00	1,800	100	0	1,900
Governor's Recommendation	0.00	1,800	100	0	1,900
<b>Change in Employee Compensation</b>					
Calculated cost of a 1% salary increase for permanent and group positions.					
Agency Request	0.00	17,000	200	0	17,200
<i>Provides funding for the remaining 16 pay periods to annualize the 3% ongoing change in employee compensation recommended in the omnibus CEC supplemental.</i>					
Governor's Recommendation	0.00	31,400	400	0	31,800

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2007 Total</b>					
Agency Request	24.00	2,086,600	32,400	0	2,119,000
<i>Governor's Recommendation</i>	<i>24.00</i>	<i>2,074,800</i>	<i>31,900</i>	<i>0</i>	<i>2,106,700</i>
Agency Request					
Change from Original App	0.00	40,500	(65,200)	0	(24,700)
% Change from Original App	0.0%	2.0%	(66.8%)		(1.2%)
<i>Governor's Recommendation</i>					
<i>Change from Original App</i>	<i>0.00</i>	<i>28,700</i>	<i>(65,700)</i>	<i>0</i>	<i>(37,000)</i>
<i>% Change from Original App</i>	<i>0.0%</i>	<i>1.4%</i>	<i>(67.3%)</i>		<i>(1.7%)</i>